

Adopted	Rejected
---------	----------

COMMITTEE REPORT

YES:	6
NO:	5

MR. SPEAKER:

*Your Committee on Education, to which was referred House Bill 1312, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, line 7, delete "6, 7," and insert "7".
- 2 Page 1, line 9, delete "6;" and insert "7;".
- 3 Page 2, between lines 29 and 30, begin a new paragraph and insert:
- 4 "SECTION 3. IC 20-19-2-20 IS ADDED TO THE INDIANA
- 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 6 [EFFECTIVE JULY 1, 2006]: **Sec. 20. (a) The state board shall**
- 7 **analyze annually state, local, and other:**
- 8 **(1) statutes;**
- 9 **(2) rules;**
- 10 **(3) policies; and**
- 11 **(4) related requirements;**
- 12 **that affect school corporations and public schools to identify the**
- 13 **statutes, rules, policies, and related requirements that restrict or**
- 14 **inhibit the ability of school corporations and public schools to**
- 15 **maximize the allocation of resources to, and focus efforts on,**

1 student instruction and learning, or to develop and implement
 2 innovative approaches to improving student achievement.

3 (b) In conducting the analysis required under subsection (a), the
 4 state board may retain the assistance the state board considers
 5 necessary, including the assistance of the following:

6 (1) The office of management and budget.

7 (2) A government efficiency commission that addresses
 8 schools.

9 (3) Consultants.

10 (c) Following the annual identification of statutes, rules, policies,
 11 and related requirements under subsection (a), the state board may
 12 take one (1) or more of the following actions:

13 (1) Repeal the rules, policies, or requirements that are within
 14 the authority of the state board. A repeal under this
 15 subdivision may be undertaken:

16 (A) at any time;

17 (B) following public comment; and

18 (C) by emergency rule.

19 (2) Recommend to the general assembly the repeal of statutes.
 20 The recommendations under this subdivision must be made:

21 (A) annually not later than September 1; and

22 (B) to the executive director of the legislative services
 23 agency in an electronic format under IC 5-14-6.

24 (3) Report to the governor, the general assembly, and the state
 25 superintendent concerning the statutes, rules, policies, and
 26 requirements that are not within the authority of the state
 27 board or general assembly. A report under this subdivision:

28 (A) may be made at any time; and

29 (B) when made to the general assembly, must be made to
 30 the executive director of the legislative services agency in
 31 an electronic format under IC 5-14-6."

32 Page 3, between lines 10 and 11, begin a new paragraph and insert:
 33 "SECTION 6. IC 20-26-16 IS ADDED TO THE INDIANA CODE
 34 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2006]:

36 **Chapter 16. Deregulated School Corporations**

37 **Sec. 1. The governing body of a school corporation may**
 38 **designate the school corporation as a deregulated school**

corporation that is free to focus on improving the academic achievement of the school corporation's students by using freedom from regulation to:

- (1) allocate resources toward; and
 - (2) focus efforts on;
- student instruction and learning.

Sec. 2. (a) To designate a school corporation as a deregulated school corporation that is free to focus on improving academic improvement, a governing body shall submit notice of the school corporation's intent to become a deregulated school corporation to the state board. The notice must:

- (1) be in writing;
- (2) attest that the governing body has voted to become a deregulated school corporation that is free to focus on improving academic achievement; and
- (3) inform the state board that the school corporation will become a deregulated school corporation on the July 1 next following the date of the notice.

(b) A notice under this section is effective upon receipt by the state board.

Sec. 3. A school corporation becomes a deregulated school corporation that is free to focus on improving academic achievement on the July 1 next following the date of the governing body's notice to the state board.

Sec. 4. The following apply to a deregulated school corporation:

- (1) Except as specifically provided in this chapter, the following do not apply to a deregulated school corporation:
 - (A) An Indiana statute applicable to a governing body or school corporation.
 - (B) A rule or guideline adopted by the state board.
 - (C) A rule or guideline adopted by the advisory board of the division of professional standards established by IC 20-28-2-2, except for those rules that assist a teacher in gaining or renewing a standard or advanced license.
 - (D) A local regulation or policy adopted by the governing body of the deregulated school corporation, unless the regulation or policy is specifically readopted by the governing body after the governing body has voted to

- 1 **become a deregulated school corporation.**
- 2 **(2) The school corporation and schools within the school**
- 3 **corporation must continue to comply with the following:**
- 4 **(A) Applicable federal laws.**
- 5 **(B) The Constitution of the State of Indiana.**
- 6 **(C) Federal and state laws that prohibit discrimination.**
- 7 **(D) Bidding, wage determination, and other statutes and**
- 8 **rules that apply to the use of public funds for the**
- 9 **construction, reconstruction, alteration, or renovation of a**
- 10 **public building.**
- 11 **(E) The following statutes:**
- 12 **(i) IC 5-11-1-9 (required audits by the state board of**
- 13 **accounts).**
- 14 **(ii) IC 20-26-5-6 (subject to regulation by state agencies).**
- 15 **(iii) IC 20-26-5-10 and IC 20-28-5-9 (criminal history).**
- 16 **(iv) IC 20-26-6-2 (unified accounting system).**
- 17 **(v) IC 20-28-4 (transition to teaching).**
- 18 **(vi) IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and**
- 19 **IC 20-28-10 (contracts with teachers and administrators,**
- 20 **salary, and conditions of employment).**
- 21 **(vii) IC 20-29 (collective bargaining).**
- 22 **(viii) IC 20-30-2 (calendar)**
- 23 **(ix) IC 20-30-3-2 and IC 20-30-3-4 (patriotic and**
- 24 **commemorative observances.)**
- 25 **(x) IC 20-30-5-0.5 (concerning the pledge of allegiance).**
- 26 **(xi) IC 20-30-5-10 (college preparation curriculum).**
- 27 **(xii) IC 20-30-11 (postsecondary enrollment program).**
- 28 **(xiii) IC 20-31 (accountability for school performance**
- 29 **and improvement).**
- 30 **(xiv) IC 20-32 (student standards, assessment, and**
- 31 **performance).**
- 32 **(xv) IC 20-33-2 (compulsory school attendance).**
- 33 **(xvi) IC 20-33-3 (limitations on employment of children).**
- 34 **(xvii) IC 20-33-7 (parental access to education records).**
- 35 **(xviii) IC 20-33-8 (student discipline).**
- 36 **(xix) IC 20-33-9 (reporting of student violations of law).**
- 37 **(xx) IC 20-34-3 (health and safety measures).**
- 38 **(xxi) IC 20-35 (special education).**

1 (xxii) IC 21 (school finance).

2 Sec. 5. (a) A deregulated school corporation shall submit
3 periodic reports, at the times set by the state board, to the
4 department and state board, with the content and in formats
5 prescribed by the state board, containing the following
6 information:

7 (1) Financial information.

8 (2) Student performance data, including the results of all
9 standardized testing, ISTEP program testing, and the
10 graduation examination.

11 (3) A description of the educational methods and teaching
12 methods employed.

13 (4) Daily attendance records.

14 (5) Graduation statistics, including the number of students
15 attaining Core 40 and academic honors diplomas.

16 (6) Student enrollment data, including the following:

17 (A) The number of students enrolled in the school
18 corporation and each school in the school corporation.

19 (B) The number of students suspended or expelled from
20 schools in the school corporation, including the reasons for
21 the suspensions or expulsions.

22 (C) The number of students who ceased to attend schools
23 in the school corporation, including the reasons for the
24 cessation.

25 (7) Any information necessary to comply with federal or state
26 reporting requirements.

27 (8) Any other information specified by the state board.

28 (b) A deregulated school corporation and each school within the
29 school corporation shall publish the annual performance report
30 required under IC 20-20-8.

31 Sec. 6. (a) Before becoming a deregulated school corporation
32 under section 3 of this chapter, a governing body may waive any
33 statutes, rules, or policies that the governing body may waive under
34 section 4 of this chapter.

35 (b) A governing body shall submit notice of the statutes, rules,
36 or policies the governing body seeks to waive to the state board
37 under section 2 of this chapter.

38 (c) Unless the state board, with the advice of the department,

provides written notice to the governing body of reasons the governing body may not waive a specific statute, rule, or policy, a waiver under this section takes effect ninety (90) days after the state board receives notice of the waiver.

Sec. 7. The state board may revoke the deregulated status of a school corporation at any time if the state board determines that at least one (1) of the following has occurred:

(1) The school corporation fails to comply with applicable laws or conditions established under this chapter.

(2) The school corporation fails to meet the educational and financial goals for the school corporation established by federal or state law, or by the state board.

(3) The school corporation fails to comply with financial management, accounting, or reporting requirements.

Sec. 8. Not later than December 31, the state board shall issue a report to the governor and the general assembly concerning the status, actions, and academic and financial results of a deregulated school corporation. A report to the general assembly must be made to the executive director of the legislative services agency in an electronic format under IC 5-14-6."

Page 3, line 40, delete "gasoline." and insert "**fuel**".

Page 3, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 7. IC 20-28-6-2, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) A contract entered into by a teacher and a school corporation must:

(1) be in writing;

(2) be signed by both parties; and

(3) contain the:

(A) beginning date of the school term as determined annually by the school corporation;

(B) number of days in the school term as determined annually by the school corporation;

(C) total salary to be paid to the teacher during the school year; and

(D) number of salary payments to be made to the teacher during the school year.

(b) The contract may provide for the annual determination of the

teacher's annual compensation by a local salary schedule, which is part of the contract. The salary schedule may be changed by the school corporation on or ~~before~~ **after** May 1 of a year, with the changes effective the next school year. A teacher affected by the changes shall be furnished with printed copies of the changed schedule not later than thirty (30) days after the schedule's adoption.

(c) A contract under this section is also governed by the following statutes:

(1) IC 20-28-9-1 through IC 20-28-9-6.

(2) IC 20-28-9-9 through IC 20-28-9-11.

(3) IC 20-28-9-13.

(4) IC 20-28-9-14.

(d) A governing body shall provide the blank contract forms, carefully worded by the state superintendent, and have them signed. The contracts are public records open to inspection by the residents of each school corporation.

(e) An action may be brought on a contract that conforms with subsections (a)(1), (a)(2), and (d).

SECTION 5. IC 20-28-7-9, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. Before a teacher is refused continuation of the contract under section 8 of this chapter, the teacher has the following rights, which shall be strictly construed:

(1) The principal of the school at which the teacher teaches must provide the teacher with an annual written evaluation of the teacher's performance before January 1 of each year. Upon the request of a nonpermanent teacher, delivered in writing to the principal not later than thirty (30) days after the teacher receives the evaluation required by this section, the principal shall provide the teacher with an additional written evaluation.

(2) On or before ~~May 1~~, **June 1**, the school corporation shall notify the teacher that the governing body will consider nonrenewal of the contract for the next school term. The notification must be:

(A) written; and

(B) delivered in person or mailed by registered or certified mail to the teacher at the teacher's last known address.

(3) Upon the request of the teacher, and not later than fifteen (15)

days after the teacher's receipt of the notice of the consideration of contract nonrenewal, the governing body or the superintendent of the school corporation shall provide the teacher with a written statement, which:

(A) may be developed in an executive session; and

(B) is not a public document;

giving the reasons for the nonrenewal of the teacher's contract."

Page 4, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 7. IC 20-28-8-6, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. A contract entered into by a governing body and its superintendent is subject to the following conditions:

(1) The basic contract must be in the form of the regular teacher's contract.

(2) The **initial** contract must be for a term of at least thirty-six (36) months. **However, a subsequent contract may be for a term of any duration.**

(3) The contract may be altered or rescinded for a new one at any time by mutual consent of the governing body and the superintendent. The consent of both parties must be in writing and must be expressed in a manner consistent with this section and sections 7 through 8 of this chapter.

(4) The rights of a superintendent as a teacher under any other law are not affected by the contract."

Page 10, reset in roman lines 8 through 10.

Page 10, line 12, reset in roman "(3)".

Page 10, line 12, delete "(2)".

Page 10, line 17, strike "1993." and insert "**2006.**".

Page 11, line 9, delete "fifty".

Page 11, line 9, delete "(\$150,000)" and insert "(\$**100,000**)".

Page 13, line 26, delete "or license".

Page 13, line 27, delete "certificate or" .

Page 13, line 27, delete "by a professional" and insert "**under**

- 1 **IC 25-23;**".
- 2 Page 13, delete line 28.
- 3 Page 13, line 29, delete "serves" and insert "**services**".
- 4 Renumber all SECTIONS consecutively.
(Reference is to HB 1312 as introduced.)

and when so amended that said bill do pass.

Representative Behning